

ORDER NO. 3884

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, DC 20268-0001

Before Commissioners:

Robert G. Taub, Chairman;
Mark Acton, Vice Chairman;
Tony Hammond; and
Nanci E. Langley

Market Dominant Product Prices
Inbound Market Dominant Multi-Service Agreements
with Foreign Postal Operators 1

Docket No. R2017-4

China Post Group – United States Postal Service
Multi-Product Bilateral Agreement (MC2010-35)
Negotiated Service Agreement

Competitive Product Prices
Inbound Competitive Multi-Service Agreements with
Foreign Postal Operators 1 (MC2010-34)
China Post Group

Docket No. CP2017-131

ORDER APPROVING MODIFICATION TO AN INBOUND MARKET DOMINANT
MULTI-SERVICE AGREEMENTS WITH FOREIGN POSTAL OPERATORS 1
NEGOTIATED SERVICE AGREEMENT AND AN INBOUND COMPETITIVE MULTI-
SERVICE AGREEMENTS WITH FOREIGN POSTAL OPERATORS 1 NEGOTIATED
SERVICE AGREEMENT

(Issued May 3, 2017)

I. INTRODUCTION

The Postal Service seeks to modify the China Post Group—United States Postal Service bilateral negotiated service agreement (Existing Agreement).¹ Modification One

¹ Notice of the United States Postal Service of Filing Modification to an Inbound Market Dominant Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement and to an Inbound Competitive Multi-Service Agreements with Foreign Postal Operators 1 Negotiated Service Agreement, May 2, 2017 (Notice). The modification is attached to the Notice as Attachment 1 (Modification One).

affects both the market dominant and competitive inbound portions of the Existing Agreement. For the reasons discussed below, the Commission approves Modification One.

In Order Nos. 3809 and 3822, the Commission approved the market dominant and the competitive inbound portions of the Existing Agreement, respectively.² On May 2, 2017, the Postal Service filed notice that it agreed to modify the Existing Agreement. Notice at 1-2. The Postal Service states that Modification One revises the “sortation and induction rules that appear in Annex 5.” *Id.* Specifically, Modification One seeks to replace the chart that details the sortation and induction rules in Annex 5.

Id. Modification One at 1. The Postal Service also states that revisions included in Modification One are “immaterial to the factors by which the Commission previously approved the [Existing Agreement].” Notice at 2. The Postal Service states that intended effective date for Modification One is April 26, 2017, the last date of signature. *Id.*

II. COMMISSION ANALYSIS

The Commission has reviewed the Notice and the accompanying materials filed under seal. Modification One replaces the chart detailing the applicable sortation and induction scheme that appears in Annex 5 and revises the Existing Agreement’s sortation and induction rules. Modification One at 1. The Commission concludes that Modification One does not affect the costs and revenue of the Existing Agreement. Accordingly, the Commission finds that Modification One satisfies the statutory and regulatory provisions applicable to the rates for market dominant and competitive products.

² Docket No. R2017-4, Order Approving Inbound Market Dominant Multi-Service Agreement with Foreign Postal Operators 1 Negotiated Service Agreement (with China Post Group), March 1, 2017 (Order No. 3809); Docket No. CP2017-131, Order Approving Additional Inbound Competitive Multi-Service Agreement with Foreign Postal Operators 1 Negotiated Service Agreement, March 22, 2017 (Order No. 3822).

It is ordered:

The Commission approves the China Post Group—United States Postal Service bilateral negotiated service agreement, as modified.

By the Commission.

Stacy L. Ruble
Secretary